

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF SALT RIVER)
WATER DISTRICT FOR AN)
ADJUSTMENT OF RATES) CASE NO. 8782

O R D E R

IT IS ORDERED that Salt River Water District ("Salt River") shall file an original and six copies of the following information with the Commission by July 20, 1983. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1) It is stated in adjustment number 2 that all employees received a 10 percent wage increase effective January 5, 1983. Provide the following concerning the wage adjustment:

a) An explanation of the derivation of the adjusted salaries of \$67,992, an increase of 50 percent over the test period level.

b) An explanation of the basis for determining that a 10 percent wage increase was appropriate at this time.

c) A copy of the minutes of the board meeting or board resolution granting the increase.

2) Salt River reports in column 1 of page 2 of its application, Employee Benefits of \$3,173. Please identify the account in which this expense is reported in the annual report.

3) Provide a detailed analysis of expenses incurred during the test year for professional services as shown in attached Format No. 1, and all detailed working papers supporting the analysis. At minimum the work papers should show the payee, dollar amount, reference (i.e., voucher number, etc.), account charged, hourly rates and time charged to the utility according to each invoice, and a brief description of the service provided.

4) For each employee or officer (including commissioners) employed by the Salt River during the test year provide the following information.

a) Name of employee or officer.

b) For each commissioner, provide the personal mailing address.

c) Job title and a complete description of the duties and responsibilities concerning the individual.

d) Total amount of compensation and employee benefits charged to operating expenses for each employee during the test year.

e) Rate of pay for each employee of the district at the beginning of the test year and at the end of the test year.

f) Total amount of regular hours and overtime hours worked during the test year by each employee.

5) Provide a schedule which shows the type and amount of coverage provided and the annual premium for each insurance policy in force during the test year.

6) Provide an explanation of the agreement between the Salt River Water District and Bullitt Federal Savings & Loan as to

the special account established for the deposit of funds to be used exclusively to make the arrears bond payments. In addition, provide a copy of this agreement.

7) Provide a brief explanation of the change in the level of expense reported in the following accounts from 1981 to the test year.

a) Account 630, Operation Labor

b) Account 920, Administrative and General Salaries

8) Provide a detailed breakdown of the costs incurred in the following accounts for the test year. At a minimum the analysis should include a brief description of each expenditure, the name of the vendor, the date and amount of the purchase, and the reference or voucher number.

a) Account 625, Maintenance of Pumping Plant

b) Account 635, Maintenance of Treatment Plant

c) Account 631, Chemicals

d) Account 903, Supplies and Expenses

9) Provide a further explanation of the major pump repairs made in 1982 mentioned in adjustment number 4. Provide a description of the work performed, a copy of the purchase invoice and an estimate of the frequency that this type of repair will occur.

10) Provide a description of the filter rehabilitation undertaken in 1983. Include an explanation of the necessity for the rehabilitation, a description of the work performed, and an estimate of the frequency that this type of work is expected to occur.

11) Provide a description of the replacement of water mains to be completed in 1983. Provide a description of the work to be performed and an estimate of the frequency that this type of work is expected to occur.

12) Provide a copy of the master plan prepared by the engineering firm and briefly described in adjustment 7.

13) Salt River has supplied a copy of its bond resolution of 1963 as a part of this application. Page 42 of the resolution has been partially cut off, please provide a complete copy of page 42 of the bond resolution.

14) The summary sheet of water sales reduction shows a reduction fo 130,152 gallons for the Heath Standard Station. The meter record shows usage of 135,000 gallons for 1982. What is the correct reduction figure?

15) Is the reduction in usage during winter months normal for the KOA campground or is it unique for 1982/83? Is the lower usage anticipated to continue?

16) Do the customers and usages shown in the billing analysis include the 1982 data for Heath's Standard Station, Sullivan's Sunnoco, Nickerson Farms, and KOA Campgrounds?

17) The billing analysis shows approximately 688 residential customers and 55 commercial customers. The 1982 annual report shows 715 residential and 30 commercial. Please reconcile these differences.

18) Is any revenue other than water sales revenue included in the \$124,556 shown on page 2 of the application? If so, please explain.

Done at Frankfort, Kentucky, this 30th day of June, 1983.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary

Format 1

COMPANY NAME

CASE NO. 8664

Professional Service Expenses

For the Twelve Months Ended June 30, 1982

<u>Line No.</u>	<u>Item</u>	<u>Rate Case</u>	<u>Annual Audit</u>	<u>Other</u>	<u>Total</u>
1.	Legal				
2.	Engineering				
3.	Accounting				
4.	Other				
5.	Total				